GFEBS Spending Chain – Purchase Requisitions Practice Test (Sample)

Study Guide

BY EXAMZIFY

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Questions

1. What constitutes a ‘Line Item’ in the context of a Purchase Requisition?

- **A. A list of all pending orders**
- **B. A detailed description of multiple requisition types**
- **C. A line item details a specific good or service requested**
- **D. It refers to the overall cost estimation of the requisition**

2. What does the abbreviation PR stand for in the context of GFEBS?

- **A. Purchase Record**
- **B. Purchase Requisition**
- **C. Purchase Release**
- **D. Payment Request**

3. What report can be used to verify the transmission of the PR to contracting?

- **A. PR Submission Report**
- **B. GFEBS SPS ACK / NCK report**
- **C. Contract Tracking Report**
- **D. Funds Certification Overview**

4. Which role is responsible for reviewing and approving Purchase Requisitions?

- **A. The Purchase Requisition Processor**
- **B. The Purchase Requisition Approval Maintainer**
- **C. The Purchase Requisition Approver**
- **D. The Purchase Requisition Funds Certifier**

5. What type of report can be generated in GFEBS to track Purchase Requisitions?

- **A. The Purchase Order Report**
- **B. The Purchase Requisition Report**
- **C. The Fund Balance Report**
- **D. The Expenditure Tracking Report**

6. What advantage does a centralized repository for Purchase Requisitions provide?

A. It limits access to procurement data

B. It enhances visibility, data accessibility, and accountability

C. It increases the processing time for requisitions

D. It allows for more manual data entry

7. How does GFEBS help ensure compliance with procurement policies?

A. By only allowing payroll deductions

B. By implementing workflow approvals and budget checks

C. By excluding overspending rules

D. By allowing direct customer purchases

8. Who is responsible for ensuring that the Purchase Requisition aligns with budgetary constraints?

A. The requesting user.

B. The finance team member.

C. The Procurement Office.

D. The department head.

9. What happens to a Purchase Requisition after it is approved?

A. It is archived for future reference

B. It is converted into a Purchase Order (PO)

C. It is sent back for modification

D. It is processed as a direct purchase

10. What does NAICS stand for, and why is it important in procuring goods?

A. North American Industry Classification System

B. National Association for Industry Commercial Standards

C. North American Import Classifications Service

D. National Association for Industrial Control Systems

Answers

1. C
2. B
3. B
4. C
5. B
6. B
7. B
8. B
9. B
10. A

Explanations

1. What constitutes a ‘Line Item’ in the context of a Purchase Requisition?

A. A list of all pending orders

B. A detailed description of multiple requisition types

C. A line item details a specific good or service requested

D. It refers to the overall cost estimation of the requisition

A ‘Line Item’ in the context of a Purchase Requisition specifically refers to a detailed entry that describes a particular good or service being requested. Each line item encompasses essential details such as the quantity, unit of measure, and specific characteristics of the item or service. This granularity allows for precise tracking and management of procurement within the spending chain. Having clear line items ensures that the purchase requisition accurately represents what is being ordered, making it easier for approval, budgeting, and eventual fulfillment processes. Understanding line items is crucial in ensuring that the procurement reflects actual organizational needs and facilitates effective financial management. In contrast, a comprehensive list of all pending orders lacks the specificity of individual requests, and multiple requisition types do not narrow down the focus to a single item or service. Lastly, an overall cost estimation of the requisition does not provide the necessary detail about each specific line item and their respective costs. Such distinctions highlight the importance of the line item in managing purchase requisitions effectively.

2. What does the abbreviation PR stand for in the context of GFEBS?

A. Purchase Record

B. Purchase Requisition

C. Purchase Release

D. Payment Request

In the context of GFEBS (General Fund Enterprise Business System), the abbreviation PR stands for Purchase Requisition. This term is crucial within the spending chain of GFEBS, as a purchase requisition is the formal request initiated by a department or office to procure goods or services. It acts as a starting point in the procurement process, allowing the organization to plan and manage expenditures in alignment with budgetary considerations. By using purchase requisitions, organizations ensure that all purchases are documented, authorized, and tracked within the system, promoting efficiency and compliance with fiscal regulations. The purchase requisition is also essential for enabling subsequent steps in the procurement process, such as creating purchase orders and managing vendor relationships. Understanding the significance of this term is vital for anyone working within GFEBS and related financial management systems.

3. What report can be used to verify the transmission of the PR to contracting?

A. PR Submission Report

B. GFEBS SPS ACK / NCK report

C. Contract Tracking Report

D. Funds Certification Overview

The GFEBS SPS ACK (Acknowledgment) / NCK (Non-Contractual Knowledge) report is specifically designed to provide visibility into the status of Purchase Requisitions (PRs) after they have been submitted for contracting. This report indicates whether the PR has been successfully transmitted to the contracting office and, if applicable, acknowledges the receipt of that PR in the system. Using this report, users can confirm not only that their PR was sent, but also whether it has encountered any issues during the transmission process. This functionality is essential for ensuring that the procurement process moves forward without delays and that any issues can be quickly identified and resolved. In contrast, other reports mentioned do not serve this specific function. The PR Submission Report summarizes the requisition submissions but does not confirm transmission status specifically. The Contract Tracking Report focuses on the status and details of contracts themselves rather than PR submission. Lastly, the Funds Certification Overview provides information regarding the availability of funds but does not address the transmission of PRs to contracting.

4. Which role is responsible for reviewing and approving Purchase Requisitions?

A. The Purchase Requisition Processor

B. The Purchase Requisition Approval Maintainer

C. The Purchase Requisition Approver

D. The Purchase Requisition Funds Certifier

The role responsible for reviewing and approving Purchase Requisitions is the Purchase Requisition Approver. This role is crucial in the procurement process as it ensures that all purchase requisitions are thoroughly evaluated for compliance with organizational policies and budgetary constraints before any orders are placed. The approver assesses the requests to determine their necessity and alignment with financial planning, confirming that the expenditures support the organization's overall objectives. This position typically involves verifying that the requested items or services are essential and that there are sufficient funds available to cover the purchase, thereby playing a key part in maintaining financial accountability within the organization. The approver's decision helps safeguard against unnecessary spending and ensures that procurement processes are followed, contributing to efficient resource management. In contrast, while the other roles may contribute to the purchasing process, they do not have the primary responsibility for the final review and approval. The Purchase Requisition Processor may handle the input and management of the requisitions, and the Purchase Requisition Approval Maintainer could be involved in documenting approval statuses, whereas the Purchase Requisition Funds Certifier focuses specifically on confirming fund availability prior to approvals. These roles support the process, but the ultimate responsibility for approval lies with the Purchase Requisition Approver.

5. What type of report can be generated in GFEBS to track Purchase Requisitions?

A. The Purchase Order Report

B. The Purchase Requisition Report

C. The Fund Balance Report

D. The Expenditure Tracking Report

The Purchase Requisition Report is specifically designed to track purchase requisitions within the GFEBS system. It provides detailed insights into all aspects of the purchase requisition process, including the status, details of the requisitions submitted, and any associated information needed for budgetary control and audit purposes. This report allows users to analyze requisitions at different levels, facilitating better management of purchases and ensuring transparency in procurement processes. Its relevance lies in its focus on the data specifically pertaining to purchase requisitions, making it an essential tool for monitoring and managing purchasing activities effectively. Other reports, such as the Purchase Order Report, focus on orders that have already been finalized, while the Fund Balance Report deals with overall fund allocations and expenditures, and the Expenditure Tracking Report emphasizes financial outflows against the budget. While these reports all provide valuable information, it is the Purchase Requisition Report that directly addresses tracking purchase requisitions specifically.

6. What advantage does a centralized repository for Purchase Requisitions provide?

A. It limits access to procurement data

B. It enhances visibility, data accessibility, and accountability

C. It increases the processing time for requisitions

D. It allows for more manual data entry

A centralized repository for Purchase Requisitions is advantageous because it enhances visibility, data accessibility, and accountability. When all purchase requisition data is stored in one location, authorized personnel can easily access up-to-date information, leading to improved decision-making and collaboration across various departments. This transparency in data allows stakeholders to track the status of requisitions, monitor spending patterns, and ensure compliance with procurement policies more effectively. Additionally, having a single source of truth minimizes discrepancies between different teams and promotes consistent record-keeping, which further supports accountability. Overall, this centralized approach significantly streamlines the procurement process, making it more efficient and reliable. In contrast, limiting data access, increasing processing times, or encouraging manual data entry would have detrimental effects on efficiency and data integrity, which clearly misaligns with the objectives of modern procurement practices.

7. How does GFEBS help ensure compliance with procurement policies?

A. By only allowing payroll deductions

B. By implementing workflow approvals and budget checks

C. By excluding overspending rules

D. By allowing direct customer purchases

GFEBS, or General Fund Enterprise Business System, plays a critical role in ensuring compliance with procurement policies primarily through the implementation of robust workflow approvals and budget checks. These features are designed to enforce systematic oversight at various stages of the procurement process. Workflow approvals ensure that purchase requisitions are reviewed and authorized by designated personnel before any spending occurs. This layered approval process helps to eliminate unauthorized purchases and ensures that all transactions align with relevant regulations and organizational policy. Additionally, budget checks are an essential feature that ensures the funds allocated for a particular project or department are available before any commitment is made. This helps prevent overspending and ensures that procurement activities remain within legal and fiscal constraints. Collectively, these measures embedded within GFEBS help to create a structured and compliant procurement environment, minimizing the risk of errors or improper expenditures.

8. Who is responsible for ensuring that the Purchase Requisition aligns with budgetary constraints?

A. The requesting user.

B. The finance team member.

C. The Procurement Office.

D. The department head.

The responsibility for ensuring that the Purchase Requisition aligns with budgetary constraints primarily falls to the finance team member. This role involves analyzing financial data and budget allocations to verify that any purchasing decisions are within the designated financial limits. The finance team plays a crucial role in managing the budget and ensuring that all expenditures align with the organization's financial policies and limitations. They track spending patterns, assist in planning for future expenditures, and provide oversight to ensure that requisitions do not exceed available budgets or violate financial regulations. While other individuals, such as the requesting user, the Procurement Office, and the department head, have important roles in the process, the finance team member has the specialized knowledge and authority to assess and confirm budget compliance for each requisition. Their involvement is essential for maintaining fiscal responsibility within the organization.

9. What happens to a Purchase Requisition after it is approved?

A. It is archived for future reference

B. It is converted into a Purchase Order (PO)

C. It is sent back for modification

D. It is processed as a direct purchase

When a Purchase Requisition is approved, it signifies that the request for goods or services has received the necessary authorization, allowing it to progress within the procurement process. The next step is typically to convert the approved Purchase Requisition into a Purchase Order (PO). This transition is crucial because the Purchase Order serves as a formal agreement between the purchaser and the supplier, clearly stating the details of what has been requested, the quantities, pricing, and delivery terms. Transforming the Purchase Requisition into a Purchase Order effectively initiates the purchasing transaction, enabling the acquisition of the requested items or services. This conversion is essential for tracking, fulfilling, and managing the purchasing process in an organized manner. In contrast, options that involve archiving or modification of the requisition do not align with the standard procedure following approval, as typically approved requisitions move forward to become POs, rather than being archived or requiring changes. Direct processing as a purchase is also not the typical path following an approved requisition, as it bypasses the necessary formalities that the Purchase Order provides.

10. What does NAICS stand for, and why is it important in procuring goods?

A. North American Industry Classification System

B. National Association for Industry Commercial Standards

C. North American Import Classifications Service

D. National Association for Industrial Control Systems

NAICS stands for North American Industry Classification System, which plays a crucial role in procuring goods. This classification system is used to categorize businesses and their activities based on the types of products or services they provide. By standardizing industry classification, NAICS provides a common framework for reporting and analyzing economic data across the United States, Canada, and Mexico. In the context of procurement, NAICS codes help government agencies and organizations to ensure they are sourcing from appropriate industries, facilitating compliance with regulations, and identifying potential suppliers. They allow for the efficient categorization of businesses during the procurement process, which streamlines searching for vendors and evaluating bids. Overall, the use of NAICS aligns procurement efforts with industry standards, aiding in strategic sourcing and effective decision-making in the supply chain process.